



City Councilmember
Carl DeMaio

News Release

DeMaio Report Shows Increase in Six-Figure City Pensions; Top Pensioner Takes in \$307,758

Report Reveals 71% of Public Safety Pensions Awarded Since 2003 Are Higher than San Diego's Median Household Income

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SAN DIEGO – City Councilmember Carl DeMaio today released his eighth annual report disclosing pension payouts to individual city employees. The report shows the top city pensioner took in a staggering \$307,758 in 2011 – and the top 10 city pensioners will split more than \$55 million for the remainder of their lives.

The report also shows a whopping 80% increase in the number of six-figure (\$100,000 or more) city pension payouts in the past two years alone.

“Just when you thought the number of excessive pension payouts could not get any higher, it has,” lamented DeMaio.

“At a time when roads are falling apart, these pension payouts are simply offensive to taxpayers – and highlight the need to reform unsustainable pension benefits in city government,” DeMaio noted.

The report breaks out public safety pension payouts from general worker payouts – and catalogues pensions being paid out after the effective date of the notorious “MP2” pension spiking plan approved in 2002.

The report shows 71% of the pension payouts for public safety members who retired after 2003 are higher than the total median household income of \$63,069 for San Diego families.

To reduce these kinds of payouts in the future, DeMaio is proposing city leaders act to cap pensionable pay, eliminate use of bonuses and specialty pays in pension calculations, and fully reform the DROP program to make it “cost free.”

Shocking Facts on Pension Payouts

80%

The percentage increase in last two years in the number of city retirees receiving six-figure (\$100,000 or more) pension payouts.

\$307,758

The top annual retirement allowance paid in CY2011 – plus a second undisclosed allowance from a taxpayer-funded 401(k) account for this employee.

\$55 Million +

The total value of pension payouts that the top 10 city pensioners alone will receive for the rest of their lives.

70.5%

The percentage of public safety retirees since 2003 that are receiving more than \$63,069 in retirement – which is the median San Diego County household income.

In addition to receiving higher pension multipliers and earlier retirement ages, public safety receives more generous “specialty pays” than any other employee classification – which have been added to base salaries to spike total pension payouts.

“This report is the perfect evidence of why public safety must be included in any meaningful and complete pension reform,” DeMaio concluded

DeMaio has released this report for eight years – as a way of providing taxpayers with the transparency they should receive from their city government as well as to dispel misinformation provided by the city’s labor unions who continue to claim that city pensions are reasonable.

Previous reports by DeMaio brought to light the following outrageous facts:

- **The \$234,091 City Librarian:** DeMaio’s CY2010 Report showed the city’s former head librarian retired with a starting pension of \$231,190. In the 2011 report, that same former head librarian is now receiving \$234,091.
- **Earning More to Retire than Working for Taxpayers:** The CY2009 report compared pension payouts vs. the highest salaries of city employees during the last year they worked. This analysis revealed a multitude of city retirees receiving pension payouts well in excess of their last and highest salary. For example, in 2011 the city’s former head librarian receives \$234,091 as an annual retirement allowance – versus the \$139,680 budgeted amount for the current head librarian working for the city.
- **Getting Four Retirement Checks at Once:** As reflected in this year’s report, some city retirees are able to receive four separate retirement benefits – including the defined benefit allowance, DROP annuity payments, SPSP 401(k)-style payouts, and Preservation of Benefits (POB) payouts.
- **“Early Risers Club”:** The CY2009 report found city politicians receiving retirement allowances at absurdly young ages. One ex-politician started receiving a pension check at age 31, another at age 35, while three others began collecting pension checks while in their forties.
- **“Double-Dip Club”:** The CY2009 report also found several former city politicians receiving, or in line to receive, taxpayer-funded salaries on top of their city pension.

After setting pension reform as his top priority in office, Councilmember Carl DeMaio on his first day in office refused to enroll in the city’s pension system. This has saved taxpayers approximately \$30,000 per year out of his City Council budget – and DeMaio’s refusal to take a pension equates to him personally turning down between \$600,000 and \$1.5 million in payouts over the course of his lifetime.

Top 10 City Pension Payouts in 2011

Assistant City Attorney	\$307,758
Investment Officer	\$255,509
Fire Battalion Chief	\$244,435
Assistant Police Chief	\$242,947
City Librarian	\$234,091
Fire Chief	\$229,753
Fire Battalion Chief	\$228,392
Deputy City Attorney	\$224,863
Fire Battalion Chief	\$217,649
Asst. Water Dept. Dir.	\$214,007

\$2.4 Million

Annual Payout for These
10 Individuals

\$55 Million

Collective Amount These
10 Individuals Will Receive for
the Remainder of their Lives